Impact of Workforce Reductions and Potential Closure of the Department of Education on Financial Aid Offices Findings from a May 2025 National Survey of Financial Aid Professionals



EXECUTIVE SUMMARY

In May 2025, NASFAA conducted a national survey of financial aid professionals to understand how the March 2025 reduction in force (RIF¹) at the U.S. Department of Education (ED) and Office of Federal Student Aid (FSA) — along with related federal directives to dismantle ED — are affecting institutional operations, staffing, and student service. The survey collected responses from approximately 900 unique institutions representing all sectors of U.S. higher education.

Institutions report operational delays, breakdowns in federal support systems, and an erosion of communication channels with ED and FSA. Most critically, these institutional-level challenges are already affecting students' abilities to access, understand, and rely on federal student aid.

With more than half of institutions citing disruptions or delays, and nearly three-quarters expressing concern about the potential closure of the Department of Education, the findings underscore risks to student aid delivery due to diminishing federal support structures.

KEY FINDINGS

- Student access is the leading institutional concern: In both ranking questions, regarding the March 2025 RIF and the potential closure of the Department of Education, 48% of institutions ranked "impacts on students' access to federal student aid" as their top concern. This far outpaced other operational or compliance-related risks, signaling that institutions are most alarmed about how federal changes may directly limit students' ability to access, understand, and rely on financial aid.
- **Federal processing slowdowns are widespread:** 59% of institutions reported noticeable changes in FSA responsiveness or delays in processing timelines since the reduction in force. Nearly one-third cited disruptions to FAFSA/ISIR and e-App systems, undermining aid eligibility reviews and program compliance.
- Aid office support structures have been eroded: 47% of institutions confirmed their FSA regional office had closed. Over one-third (33%) reported experiencing support gaps previously filled by federal regional contacts, particularly for compliance, training, or case resolution.
- Staffing and workload pressures are intensifying: While most institutions had not formally changed staffing levels, nearly one-quarter reported deferring tasks or redistributing responsibilities due to the RIF. With fewer federal contacts available to answer questions, resolve issues, or process routine requests, institutional staff have had to take on additional troubleshooting, repeated outreach to federal systems or help desks, and administrative workarounds, often without clear guidance. This redirection of effort pulls staff away from direct service to students, limiting their ability to provide timely support, answer aid-related questions, and assist with complex federal programs. Open-ended comments described overextended staff, burnout, and internal fear about job stability and future capacity.
- Communication breakdowns affect students: 42% of institutions reported students are experiencing issues with federal loan servicing, such as delays, misinformation, or unresolved inquiries. Additionally, 47% said students are receiving confusing or incomplete information from ED/FSA due to delayed or missing communication, whether through federal websites, emails, or call centers. In nearly one-third of institutions, students have directly expressed concern or frustration, often turning to campus aid offices for clarity when federal sources fall short.

¹ In this report NASFAA uses the term RIF as shorthand for the overall workforce reductions.

- Concerns about ED's future are widespread and deep: 63% of institutions are "very concerned" about the potential closure of ED, with another 28% "somewhat concerned." Top-ranked concerns include disruption to student aid delivery, institutional oversight, and clear federal guidance.
- Student impact is already materializing: Institutions reported a rise in student inquiries, frustration with service breakdowns, and confusion among students about when or whether they will receive their financial aid. Many students are unsure how delays will affect their enrollment or eligibility, particularly for programs like Public Service Loan Forgiveness (PSLF) and Borrower Defense to Repayment (BDR). In many cases, institutions are unable to provide clear answers due to a lack of federal updates or functioning support systems.

These findings reflect a system under stress. Financial aid administrators — already operating with lean staffing and growing responsibilities — now face complex operational challenges that affect not just institutions but millions of students who rely on federal aid to access and complete higher education. While institutions reported concerns about staffing strain, burnout, and long-term capacity, their most urgent worry is not internal workload — it is the risk that federal instability will undermine students' access to aid and erode trust in the system itself.

SURVEY RESPONSES

Since the reduction in force (RIF) in mid-March 2025, has your institution experienced noticeable changes in FSA responsiveness, communication, or processing timelines?

	Overall Respondents	Unique Institutions
Yes	59%	59%
No	26%	27%
Unsure/I don't know	14%	14%
n	1038	904

Since the reduction in force (RIF) in mid-March 2025, has your institution encountered new or increased service delays in any of the following areas?

(Select all that apply.)

	Overall Respondents	Unique Institutions
FAFSA/ISIR processing that has taken place since April 28, 2025 ²	32%	31%
Common Origination and Disbursement (COD) processing	23%	22%
Electronic Application to Participate in the Federal Student Aid Programs (e-App) processing	31%	32%
Other (please specify)	14%	14%
No delays encountered	25%	25%
Unsure/I don't know	13%	12%
n	1025	894

Open-Ended Response Analysis: Additional Service Delays

The total number of valid comments analyzed was 141. Comments fell into the following thematic categories:

² The Office of Federal Student Aid (FSA) implemented a fix on April 28, 2025 addressing a systems issue that was causing ISIR delivery delays that they said were unrelated to the Reduction in Force (RIF). To ensure responses reflected only RIF-related delays, NASFAA asked only about FAFSA and ISIR processing delays that occurred after the fix was implemented.

- System functionality and performance issues: A substantial number of respondents reported technical problems with Department of Education systems, particularly EdConnect, NSLDS, and SAIG. Issues included system outages, failures to update records, and difficulty accessing key platforms or data.
- Reduced responsiveness to institutional inquiries: Many respondents noted longer wait times for phone support and delays in receiving responses to email inquiries. Some institutions reported receiving no replies at all to submitted questions or support requests, raising concerns about the availability of federal contacts.
- Delays in account access and administrative follow-up: Institutions described delays in regaining access to
 federal systems, retrieving historical documentation (such as past e-App reports), or resolving account
 credentialing problems. The lack of timely support often compounded these access issues.
- Disruptions to campus-based program management: Several respondents referenced delays specific to campus-based aid programs, including Perkins Loan portfolio liquidation and annual Campus-Based Aid Allocation processes. Though less visible, these administrative functions are critical to compliance and aid operations.
- **Inconsistent or incorrect guidance:** A smaller group of respondents reported that communications from ED or FSA staff, when received, included outdated or contradictory information.

Has your institution submitted a new or updated e-App:

Overall Respondents	Yes	No	Unsure / Don't Know	n
Prior to March 2025	54%	30%	16%	989
During or since March 2025	21%	62%	17%	909
Unique Institutions				
Prior to March 2025	57%	31%	12%	864
During or since March 2025	22%	65%	12%	790

What delays or issues, if any, has your institution experienced related to your e-App submission? (Select all that apply.)

	Overall Respondents	Unique Institutions
Longer than usual processing timeline	50%	49%
No response to inquiries about processing status	25%	25%
Uncertainty about who to contact about the status of my e-App submission	41%	42%
Unclear or conflicting information about the status of my e-App submission	23%	24%

Other (please specify)	10%	11%
No delays experienced	25%	26%
Unsure/I don't know	8%	7%
n	609	561

Open-Ended Response Analysis: e-App Submission Delays

The total number of comments analyzed was 59. Comments fell into the following thematic categories:

- Extended or unresolved submission timelines: Several institutions described e-App submissions that had been pending for many months without resolution. Some cited submissions made as early as fall 2024 that remained unprocessed at the time of the survey³. While delays in e-App processing have been a persistent concern in the field, these continued backlogs raise additional questions about capacity and responsiveness in the wake of the March 2025 reduction in force.
- Lack of acknowledgment or follow-up: Multiple respondents submitted updates or requests through the e-App platform without confirmation or communication. In some cases, institutions had to reinitiate contact or escalate issues after receiving no response from assigned analysts or support teams.
- **Unclear status tracking:** Several comments noted that it was difficult to determine the current status of submitted e-App materials. Respondents reported confusion about whether submissions were received, under review, or assigned to a case analyst.
- Variable experiences depending on staff contact: Some respondents mentioned significant differences in response time depending on the analyst assigned to their case. While a few described quick and helpful responses once an analyst was identified, these experiences were inconsistent across institutions.
- **Inability to answer due to recency:** A few respondents indicated they had only recently submitted their e-App and could not yet determine whether delays or issues would occur.

Has FSA's RIF caused your office to change staffing or workload distribution? (Select all that apply.)

	Overall Respondents	Unique Institutions
Redistributing responsibilities among existing staff	24%	23%
Delaying or deferring some tasks	24%	24%
Relying more heavily on external vendors or consultants	7%	7%
Hiring new permanent staff	4%	4%

³ NASFAA's members have been reporting e-app submission delays for many years, so some reported delays may not be exclusively related to the RIF. https://www.nasfaa.org/uploads/documents/NASFAA FSA Survey Results.pdf

Hiring temporary or short-term help	3%	4%
Other (please specify)	5%	5%
No changes to current staffing or workloads	55%	56%
Unsure/I don't know	5%	4%
n	1005	875

Open-Ended Response Analysis: Staffing and Workload Changes

The total number of comments analyzed was 49. Comments fell into the following thematic categories:

- Increased workload and extended hours: A recurring theme was staff working longer hours or taking on more responsibilities to manage the backlog or maintain service levels. This was often framed as a direct consequence of reduced federal support or delays in resolving routine processes.
- **Delays in hiring or staffing constraints:** Some respondents mentioned hiring freezes or delays in filling vacant roles, as well as uncertainty around renewing contracts for temporary staff. While not always directly attributed to FSA, the timing was linked to growing operational strain.
- Redistributed or reprioritized work: A few comments noted that while formal staffing changes had not
 occurred, internal priorities had shifted significantly, with teams reassigning effort toward tasks that previously
 relied on external guidance or federal turnaround.
- Increased reliance on uncertain information or external sources: A smaller number of respondents expressed concern about having to proceed with less federal oversight or incomplete guidance, which in turn affected how work was distributed and reviewed internally.

Has your institution's primary point of contact at ED or FSA changed since the March 2025 RIF?

	Overall Respondents	Unique Institutions
Yes	36%	37%
No	26%	35%
Unsure/I don't know	38%	38%
n	942	833

Has your FSA regional office closed due to the March 2025 RIF?

	Overall Respondents	Unique Institutions
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Yes	44%	47%
No	22%	23%
Unsure/I don't know	33%	30%
n	941	832

Prior to March 2025, which of the following roles did your FSA regional office play in supporting your institution? (Select all that apply.)

	Overall Respondents	Unique Institutions
Training or webinars	24%	24%
Compliance assistance	56%	57%
Issue resolution or case escalation	51%	52%
Monitoring or technical support	24%	24%
Other (please specify)	6%	6%
Our regional office did not provide support, or my school opted not to use it.	11%	11%
Unsure/I don't know	17%	15%
n	934	826

Open-Ended Response Analysis: FSA Regional Office Support to Institutions

The total number of comments analyzed was 43. Comments fell into the following thematic categories:

- **Specialized compliance support:** Several comments identified support with compliance and audit-related processes, including assistance related to heightened cash monitoring (HCM) and program reviews. These services went beyond standard training or issue resolution and were described as critical in managing federal oversight responsibilities.
- e-App and systems navigation assistance: Some respondents noted that their regional offices provided direct support with navigating the Electronic Application (e-App) process or interpreting related policy questions. This support often filled gaps in online documentation or national help desk responses.

- Meeting facilitation and direct engagement: A number of institutions shared that regional staff organized or facilitated meetings, including individualized consultations and group discussions among peer institutions.
 These interactions were viewed as valuable for addressing localized or institution-specific concerns.
- **Limited or no engagement:** A small subset of respondents reported that their regional offices had provided little to no support, either due to non-responsiveness or a lack of proactive outreach. These comments highlighted uneven engagement across regions.

Since March 2025, has your institution experienced any gaps in support that you would typically receive from:

Overall Respondents	Yes	No	Unsure / Don't Know	n
FSA's regional offices (even if your assigned office remains open)	32%	37%	30%	908
ED or FSA, other than support you would typically receive from FSA's regional offices	33%	36%	31%	888
Unique Institutions				
FSA's regional offices (even if your assigned office remains open)	33%	39%	28%	809
ED or FSA, other than support you would typically receive from FSA's regional offices	33%	38%	29%	790

What specific challenges, if any, has your institution encountered that FSA's regional offices or another contact outside of the regional offices would typically address?

The total number of comments analyzed was 181. Comments fell into the following thematic categories:

- Lack of response to urgent or time-sensitive inquiries: 15 respondents described an inability to get responses
 from ED or FSA, even after multiple attempts. These comments referenced unacknowledged emails,
 voicemails, or escalated tickets, leaving institutions uncertain about the next steps or resolution timelines.
- **Delays in application processing and renewals:** 49 respondents reported issues with delayed or stalled processing of key administrative items, such as e-App submissions, Program Participation Agreement (PPA) renewals, or program updates. Some noted these delays dated back to late 2024, with little to no federal engagement since submission.
- Uncertainty about appropriate contact points: 22 respondents cited confusion over who to contact now that several regional offices are closed. Without assigned analysts or clear guidance, institutions reported difficulty escalating issues or identifying which office or person could assist.
- Breakdowns in compliance and audit support: 10 respondents mentioned gaps in support related to audits, resolution of findings, or federal compliance requirements. These gaps were linked to delays in documentation processing and difficulty navigating post-review processes.

 Increased burden navigating federal systems and guidance: 20 respondents noted challenges with access, troubleshooting, or understanding system errors across platforms like COD, NSLDS, and G5. Without contact support, institutions described a heavier reliance on peer networks or informal workarounds.

Since March 2025, has your institution observed any disruptions that directly affect students' access to or continuation of federal financial aid or services ED or FSA provides?

	(Overall Re	espondents	ι	Unique Institutions				
	Yes	No	Unsure / Don't Know	n	Yes	No	Unsure / Don't Know	n	
FSA Call Centers (e.g., Federal Student Aid Information Center (FSAIC), Loan Discharge and Forgiveness Customer Support)	58%	23%	19%	848	58%	24%	19%	753	
Borrower defense to repayment applications	18%	31%	52%	822	17%	31%	52%	729	
FSA ombuds office	10%	30%	59%	816	10%	31%	59%	723	
PSLF applications or recertification	33%	21%	46%	814	32%	22%	47%	722	
School's ability to draw down funds	11%	69%	19%	819	11%	72%	17%	726	
NSLDS issues	47%	39%	14%	830	46%	41%	13%	736	
Delays in or lack of communications to students (emails, website updates, etc.) from ED/FSA, resulting in student confusion or misinformation	48%	25%	27%	840	47%	26%	26%	747	
Student loan servicing issues	43%	23%	33%	827	42%	24%	34%	735	

Over the past 30 days, approximately how many inquiries or concerns related to students' access to or continuation of federal financial aid or services ED or FSA provides has your office received from students?

	Overall Respondents	Unique Institutions
Fewer than 10	35%	37%

10-25	26%	27%
26-50	11%	10%
More than 50	11%	10%
Unsure/I don't know	18%	16%
n	857	763

Compared to typical inquiries or concerns related to ED/FSA services, is the number of inquiries you've received in the past 30 days:

	Overall Respondents	Unique Institutions
Less than usual	4%	4%
About the same as usual	31%	33%
Somewhat more than usual	31%	30%
Significantly more than usual	30%	30%
Unsure/I don't know	3%	3%
n	705	641

Have your students expressed confusion, concern, or frustration related to access to federal financial aid, changes in aid processing or communication of federal financial aid, or student-facing ED services (e.g., BDR, PSLF, ED ombudsman) as it relates to the RIF and/or the potential closure of ED? Please describe briefly.

The total number of comments analyzed was 882, of which 579 expressed concerns. While not all institutions observed direct student concerns, several dominant themes emerged:

- Loan forgiveness and repayment concerns: 579 respondents. Most concerned respondents referenced issues with federal student loan programs, especially PSLF and Borrower Defense. Comments reflected application delays, confusion over eligibility, and a lack of communication from servicers or ED.
- No observed concern or awareness among students: 303 respondents. Roughly one-third of respondents
 reported that their students had not expressed concern—typically due to lack of awareness or because aid
 disruptions had not yet impacted them directly.
- **Confusion about aid processing timelines:** 9 respondents. Some respondents reported that students were unclear or anxious about when aid would be disbursed, particularly due to FAFSA-related delays.

- **Frustration with federal communication:** 10 respondents. Respondents noted student complaints about the absence of updates from ED/FSA, difficulties reaching call centers, or outdated/inaccurate federal websites.
- **Increase in student inquiries or complaints:** 7 respondents. A segment of institutions observed a noticeable uptick in student calls, emails, or walk-ins related to financial aid disruptions.

From your perspective, what level of concern, if any, exists about the following topics? The March 2025 reduction in force (RIF) at ED and FSA

Overall Respondents

	Very Concerned	Somewhat Concerned	Not Concerned	Not aware of RIF	Unsure / Don't Know	n
At your institution	36%	52%	8%	1%	4%	816
In your financial aid office	55%	36%	8%	0%	1%	813
For you personally	59%	31%	10%	0%	1%	813

Unique Institutions

	Very Concerned	Somewhat Concerned	Not Concerned	Not aware of RIF	Unsure / Don't Know	n
At your institution	36%	51%	9%	1%	3%	728
In your financial aid office	56%	36%	8%	0%	0%	725
For you personally	59%	31%	10%	0%	1%	754

From your perspective, what level of concern, if any, exists about the following topics? The potential closure of ED

Overall Respondents

	Very Concerned	Somewhat Concerned	Not Concern ed	Not aware of RIF	Unsure / Don't Know	n
At your institution	62%	29%	5%	0%	4%	814
In your financial aid office	70%	24%	5%	0%	1%	811

For you personally 69% 21% 9% 0% 1% 81:

Unique Institutions

	Very Concerned	Somewhat Concerned	Not Concern ed	Not aware of RIF	Unsure / Don't Know	n
At your institution	63%	28%	5%	0%	3%	726
In your financial aid office	71%	23%	5%	0%	0%	723
For you personally	70%	21%	9%	0!	0%	722

Please rank your institution's or financial aid office's concerns about the March 2025 RIF. Items ranked #1 were of the greatest concern, and items ranked #11 were of the least concern.

Overall Respondents

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	1	2	3	4	5	6	7	8	9	10	11	n
Processing delays or service interruptions	11%	24%	19%	17%	10%	6%	6%	4%	3%	0%	0%	742
Loss of institutional support (e.g., regional offices, training)	8%	8%	8%	10%	10%	13%	14%	14%	16%	0%	0%	742
Communications delays (e.g, Electronic Announcements, updates to websites)	3%	4%	8%	11%	14%	19%	15%	15%	10%	0%	0%	742
Inaccurate communications	4%	6%	7%	8%	12%	12%	15%	19%	16%	0%	0%	742
Unclear points of contact	5%	6%	6%	6%	9%	11%	16%	15%	27%	1%	0%	742
Data integrity issues (e.g. NSLDS, ISIRs)	9%	13%	13%	18%	14%	11%	8%	7%	6%	0%	0%	742

Loss of systems support (e.g., COD, G5)	7%	11%	19%	15%	14%	10%	9%	8%	7%	0%	0%	742
Impacts on students' access to federal student aid	48%	14%	6%	6%	6%	6%	5%	5%	4%	0%	0%	742
Impacts on students' ability to engage with ED/FSA	5%	15%	12%	11%	10%	11%	13%	13%	11%	0%	0%	742
Other (please specify)	1%	0%	0%	0%	0%	0%	0%	0%	0%	94%	4%	742
Unsure/I don't know	0%	0%	0%	0%	0%	0%	0%	0%	0%	3%	96%	742

Unique Institutions

	1	2	3	4	5	6	7	8	9	10	11	n
Processing delays or service interruptions	11%	25%	19%	17%	9%	7%	5%	4%	4%	0%	0%	665
Loss of institutional support (e.g., regional offices, training)	8%	8%	8%	10%	10%	13%	14%	14%	15%	0%	0%	665
Communications delays (e.g, Electronic Announcements, updates to websites)	3%	4%	8%	11%	15%	19%	14%	15%	11%	0%	0%	665
Inaccurate communications	4%	6%	8%	12%	13%	16%	19%	16%	0%	0%	0%	665
Unclear points of contact	5%	5%	6%	6%	9%	11%	16%	15%	27%	1%	0%	665
Data integrity issues (e.g. NSLDS, ISIRs)	9%	13%	13%	17%	14%	11%	8%	8%	6%	1%	0%	665

Loss of systems support (e.g., COD, G5)	7%	11%	19%	14%	14%	10%	10%	8%	6%	0%	0%	665
Impacts on students' access to federal student aid	48%	14%	7%	6%	6%	5%	5%	5%	4%	0%	0%	665
Impacts on students' ability to engage with ED/FSA	5%	14%	13%	10%	10%	10%	14%	12%	11%	0%	0%	665
Other (please specify)	1%	1%	0%	0%	0%	0%	0%	0%	0%	94%	4%	665
Unsure/I don't know	0%	0%	0%	0%	0%	0%	0%	0%	0%	4%	0%	665

Open-Ended Response Analysis: Additional Concerns Related to the March 2025 RIF

The total number of comments analyzed was 29. Comments fell into the following thematic categories:

- Loss of funding or resource access: Some institutions expressed concern about a potential decline in funding or loss of access to necessary financial tools and platforms. This included fears of broader budget cuts that could follow the RIF.
- **Diminished access to federal contacts and expertise:** A few comments focused on losing longstanding federal contacts, including participation teams, analysts, or case managers who previously provided critical support. Respondents noted a perceived lack of institutional knowledge among remaining staff.
- **Equally weighted concerns across all areas:** Several respondents emphasized that all the listed concerns—such as processing delays, data integrity, communication breakdowns, and student impacts—are interrelated and equally troubling. These comments often rejected the idea of prioritizing one over another.
- **Generalized disruption and instability:** Some institutions described the RIF as a systemic disruption affecting the entire aid infrastructure. These comments reflected a broader concern about operational reliability, accountability, and the long-term stability of the federal student aid system.

Please rank your institution's or financial aid office's concerns about a potential closure of ED. Items ranked #1 were of the greatest concern, and items ranked #11 were of the least concern.

Overall Respondents

	1	2	3	4	5	6	7	8	9	10	11	12	n
Disruption of student aid delivery	48%	17%	8%	8%	6%	5%	3%	2%	2%	1%	1%	0%	719

Disruption of students' ability to engage with new agency that replaces ED	4%	8%	9%	10%	9%	12%	13%	11%	12%	11%	1%	1%	719
Elimination or transfer of compliance oversight	4%	5%	8%	12%	12%	11%	11%	14%	10%	10%	1%	2%	719
Policy uncertainty or lack of guidance	9%	17%	19%	14%	12%	9%	8%	5%	4%	2%	1%	1%	719
Student confusion or misinformat ion	8%	16%	15%	12%	10%	9%	9%	8%	7%	5%	1%	1%	719
Loss of institutional memory	2%	2%	3%	3%	5%	6%	9%	13%	19%	32%	3%	3%	719
Potentially having to deal with multiple federal agencies instead of just ED	11%	11%	12%	12%	11%	10%	9%	8%	7%	6%	1%	1%	719
Loss of access to institutional support	5%	6%	6%	10%	10%	11%	11%	13%	13%	9%	3%	1%	719
Data integrity issues	3%	10%	10%	11%	13%	13%	13%	8%	9%	7%	2%	1%	719

Data privacy issues	4%	6%	8%	7%	10%	11%	11%	15%	13%	12%	2%	2%	719
Other (please specify)	2%	1%	1%	0%	2%	2%	2%	2%	2%	3%	59%	25%	719
Unsure/I don't know	1%	1%	1%	1%	0%	2%	2%	2%	3%	2%	25%	62%	719

Unique Institutions

	1	2	3	4	5	6	7	8	9	10	11	12	n
Disruption of student aid delivery	48%	18%	9%	8%	6%	5%	3%	2%	2%	1%	1%	0%	645
Disruption of students' ability to engage with new agency that replaces ED	4%	9%	9%	9%	9%	12%	12%	11%	13%	10%	1%	1%	645
Elimination or transfer of compliance oversight	5%	5%	7%	11%	11%	12%	12%	14%	10%	11%	1%	2%	645
Policy uncertainty or lack of guidance	9%	17%	20%	14%	12%	9%	7%	4%	5%	2%	1%	1%	645
Student confusion or misinformat ion	8%	16%	15%	12%	10%	9%	9%	8%	6%	5%	1%	1%	645

Loss of institutional memory	1%	2%	3%	3%	5%	6%	9%	14%	20%	32%	3%	3%	645
Potentially having to deal with multiple federal agencies instead of just ED	11%	11%	12%	13%	12%	10%	10%	8%	7%	6%	1%	1%	645
Loss of access to institutional support	5%	6%	7%	11%	10%	10%	12%	13%	13%	9%	3%	1%	645
Data integrity issues	3%	10%	10%	10%	14%	13%	12%	8%	9%	7%	2%	1%	645
Data privacy issues	4%	6%	7%	8%	10%	11%	11%	14%	13%	13%	2%	2%	645
Other (please specify)	2%	1%	1%	0%	2%	2%	2%	2%	2%	3%	60%	25%	645
Unsure/I don't know	0.8%	0.3%	1%	1%	1%	2%	2%	2%	2%	2%	25%	62%	645

Open-Ended Response Analysis: Additional Concerns Related to a Potential Closure of ED

The total number of comments analyzed was 33. Comments fell into the following thematic categories:

- Uncertainty about future aid programs and funding availability: Several respondents expressed concern over how federal aid programs would be managed or restructured if ED were dismantled. There was particular anxiety around future access to Title IV programs, changes in Pell Grant administration, and disruptions to funding predictability.
- Capacity and coordination among successor agencies: Some institutions questioned whether any new or reassigned federal agencies could manage the volume, complexity, and compliance oversight currently handled by ED and FSA. These comments reflected doubts about operational capacity and interagency coordination.
- Access to systems and financial tools: Concerns were raised about continued access to key systems (e.g., G5) and how changes to administrative control might affect fund disbursement or reconciliation. Respondents emphasized the need for continuity in daily operational functions.

nterconnectedness of concerns: As with the RIF ranking question, several institutions stated that all listed oncerns are deeply interrelated and equally important. This perspective reflects a broader worry that ystem-level changes would affect multiple areas simultaneously.										

METHODOLOGY

In May 2025, NASFAA distributed a brief online survey to 4,993 financial aid professionals across 2,719 unique NASFAA member institutions to understand how recent changes at the U.S. Department of Education (ED) and the Office of Federal Student Aid (FSA) affect financial aid operations. These changes included a March 2025 reduction in force (RIF), the closure of several FSA regional offices, and a federal executive order outlining plans to dismantle ED.

The survey was open from May 6-13 and took approximately 5-7 minutes to complete. Questions included a mix of multiple-choice, checkbox, open-ended, and drag-and-drop ranking formats. Display logic ensured that participants only answered questions relevant to their institutional context. Once the survey closed, all blank responses were removed.

The survey closed with 1,045 responses answering at least one question, including approximately 909 responses from unique institutions, resulting in 21% and 34% response rates, respectively.

NASFAA invited several types of institutional contacts to participate:

- Primary Contacts (PCONs), typically the financial aid director
- Second-in-Command designees, as indicated in member profiles
- Division Contacts (DCONs), who represent individual campuses within a system
- System Office Heads
- Survey Contacts (SCONs), who the institution designates

Because multiple individuals from the same School ID in NASFAA's database were invited, responses reflect a range of perspectives across roles. This approach helped NASFAA capture how federal disruptions affect institutions at various levels of leadership and responsibility.

To analyze results by institution, NASFAA created a separate dataset representing one response per School ID in the case of single-campus non-system institutions. When multiple responses were submitted from the same School ID, NASFAA's research department followed a structured protocol:

- The Primary Contact's response was retained unless it was blank.
- If so, the department prioritized Survey Contacts (SCONs), then Second-in-Command designees.

For institutions within a system or with multiple campuses:

- Responses from System Office Heads and DCONs were always included.
- The same prioritization method was applied when individual campuses submitted additional responses.

All responses, including duplicates from the same institution, were included when analyzing open-ended comments.

Open AI was used in the initial development of this report.

Demographics

Region	NASFAA Member Institutions	Survey Sample Including Duplicates	Survey Respondents Including Duplicates	Unique Institutions
EASFAA	23%	23%	21%	22%

MASFAA	23%	22%	24%	23%
SASFAA	19%	20%	19%	19%
WASFAA	16%	16%	15%	15%
SWASFAA	11%	12%	12%	12%
RMASFAA	7%	8%	9%	9%
n	2,759	4,993	1,043	909

Sector	NASFAA Member Institutions	Survey Sample Including Duplicates	Survey Respondents Including Duplicates	Unique Institutions
Nonprofit	38%	33%	35%	36%
Community College	31%	30%	31%	31%
Public 4-Yr	19%	25%	27%	25%
For Profit	8%	9%	5%	5%
Graduate/Professional	4%	3%	2%	3%
n	2,759	4,993	1,045	909

IPEDS Full-Time Equivalent (FTE) Range	NASFAA Member Institutions	Survey Sample Including Duplicates	Survey Respondents Including Duplicates	Unique Institutions
Under 1000	29%	20%	18%	20%
1000-4999	47%	38%	42%	43%
5000-9999	12%	14%	15%	14%
10000-19999	7%	11%	10%	10%
20000 and above	5%	16%	15%	13%
None listed		1%	1%	1%
n	2,759	4,993	1,045	909